

Senate Engrossed House Bill

FILED

**JANICE K. BREWER
SECRETARY OF STATE**

State of Arizona
House of Representatives
Forty-sixth Legislature
Second Regular Session
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CHAPTER 108

HOUSE BILL 2115

AN ACT

AMENDING SECTIONS 3-468.01, 3-468.02, 3-468.04, 3-468.06 AND 41-2706, ARIZONA
REVISED STATUTES; RELATING TO THE ARIZONA CITRUS RESEARCH COUNCIL.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 3-468.01, Arizona Revised Statutes, is amended to
3 read:

4 3-468.01. Arizona citrus research council; appointment; term

5 A. The Arizona citrus research council is established consisting of
6 seven producers appointed by the governor. The members shall be appointed
7 as follows:

8 1. Three producers from district one, including Yuma county.
9 2. Two producers from district two, including Maricopa, Pima and Pinal
10 counties.

11 3. Two producers appointed at large.

12 B. The governor may consult with any recognized organization in this
13 state that represents citrus producers in appointing members to the council.

14 C. The term of office of each council member is for three years
15 beginning January 1 and ending December 31 of the appropriate year. Members
16 are limited to two consecutive terms of office, EXCEPT THAT A MEMBER WHO IS
17 APPOINTED TO FILL A VACANCY MAY SERVE TWO CONSECUTIVE TERMS PLUS THE
18 UNEXPIRED TERM THAT FILLS THE VACANCY. A MEMBER WHO COMPLETES A SECOND
19 THREE-YEAR TERM IS INELIGIBLE FOR REAPPOINTMENT FOR ONE YEAR. On the
20 expiration of a term of a member or in the event of a vacancy, the governor
21 shall appoint a successor.

22 D. The office of a member is deemed vacant and the governor shall
23 appoint a person to fill the remainder of the term under any of the following
24 circumstances:

25 1. The member is no longer a producer.
26 2. The member is unable to perform his THE duties OF THE OFFICE.
27 3. The absence of the member from four consecutive council meetings
28 if the absences have not been excused by the council.

29 E. Members of the council are not eligible to receive compensation but
30 are eligible for reimbursement of expenses pursuant to title 38, chapter 4,
31 article 2.

32 Sec. 2. Section 3-468.02, Arizona Revised Statutes, is amended to
33 read:

34 3-468.02. Powers and duties of the council

35 A. The council shall:

36 1. Receive and disburse monies to be used in administering this
37 article.

38 2. Annually elect a chairman, secretary and treasurer from among its
39 members.

40 3. Meet at least once each calendar quarter or at such times as called
41 by the chairman or when requested by four or more members of the council. A
42 quorum consists of four or more members of the council of which at least one
43 member shall be from district one and one member from district two.

44 4. Keep a permanent record of its proceedings and make these records
45 available for public inspection for any lawful purpose.

1 5. Prepare for the governor and the citrus industry an annual report
2 of its activities, receipts and expenditures. A copy of the annual report
3 shall be available to any interested citrus producer and the general public
4 on request.

5 ~~6. Provide for an annual audit of its accounts by a qualified public~~
6 ~~accounting firm and make an annual financial statement available to any~~
7 ~~producer and the auditor general on request.~~

8 ~~7.~~ 6. Organize and administer any referendum called under subsection
9 C, paragraph 11 of this section.

10 ~~8.~~ 7. Prescribe fees to be assessed within the limits prescribed in
11 section 3-468.04.

12 B. The council may authorize or contract for ~~programs relating to:~~

13 1. Research, development and survey programs concerning varietal
14 development.

15 2. Programs for citrus pest eradication.

16 3. Programs concerning production, harvesting, handling and hauling
17 from field to market.

18 4. Any other programs, excluding sales or marketing, that the council
19 deems to be appropriate for the purposes of this article.

20 C. The council may:

21 1. Disseminate reliable information, including the results of research
22 studies, surveys and information obtained as a result of research.

23 2. Sue and be sued as a council, without individual liability, for
24 acts of the council within the scope of the powers and duties conferred on
25 it by this article.

26 3. Enter into contracts to carry out the purposes of this article,
27 including contracts for research and development of citrus.

28 4. Appoint advisory groups composed of representatives from
29 organizations, institutions, or businesses related to or interested in the
30 welfare of the citrus industry.

31 5. Make grants to research agencies for financing appropriate studies,
32 or for purchase or acquisition of equipment and facilities consistent with
33 this article.

34 6. Employ or retain and fix the compensation of a qualified person or
35 a qualified entity to manage on behalf of the council and other personnel
36 that are necessary to carry out the provisions of this article.

37 7. Cooperate with any local, state or nationwide organization or
38 agency engaged in work or activities similar or related to those of the
39 council and enter into contracts with such organizations or agencies for
40 carrying on joint programs.

41 8. Act jointly and in cooperation with this state or any other state
42 or the federal government, and spend monies to administer any program deemed
43 by the council to be beneficial to the citrus industry of this state.

44 9. Adopt rules necessary to promptly and effectively administer this
45 article.

1 10. Accept grants, donations, contributions, gifts, property or
2 services or other assistance from public or private sources to further the
3 objectives of this article.

4 11. Refer to the citrus producers in this state for an advisory vote
5 the question of setting fees or establishing or continuing any program
6 authorized by this article.

7 12. Investigate and prosecute in the name of this state any action or
8 suit to enforce the collection or ensure payment of the authorized fees.

9 13. PROVIDE FOR AN ANNUAL AUDIT OF ITS ACCOUNTS BY A QUALIFIED PUBLIC
10 ACCOUNTING FIRM AND, IF AN AUDIT OR FINANCIAL STATEMENT IS PREPARED, SHALL
11 MAKE THE AUDIT OR FINANCIAL STATEMENT AVAILABLE TO THE GENERAL PUBLIC AND THE
12 AUDITOR GENERAL ON REQUEST.

13 Sec. 3. Section 3-468.04, Arizona Revised Statutes, is amended to
14 read:

15 3-468.04. Fees; collection; budget

16 A. On or before July 1 of each calendar year, the council shall assess
17 a fee of not more than one and one-half cents per standard carton of citrus
18 produced. For the purposes of this subsection, "standard carton" means a
19 container or package prescribed for each kind of citrus fruit pursuant to
20 article 2 of this chapter and rules adopted under that article.

21 B. Each grower-shipper, shipper and handler shall keep a complete and
22 accurate record of all citrus handled by such entities and the producer.
23 These records shall contain such information as required to be kept for the
24 citrus, fruit and vegetable revolving fund pursuant to articles 2 and 4 of
25 this chapter and rules adopted pursuant to those articles.

26 C. Assessments shall be collected from the grower-shipper, shipper or
27 handler first marketing the citrus being assessed. The grower-shipper,
28 shipper or handler is a trustee of the monies until they are paid to the
29 council pursuant to subsection B and according to procedures established
30 pursuant to articles 2 and 4 of this chapter and rules adopted pursuant to
31 those articles. A citrus producer is responsible for paying the fee unless
32 the fee is withheld for payment by the grower-shipper, shipper or handler
33 first marketing the citrus.

34 D. Before establishing the annual fee, the council shall establish a
35 budget. The budget is effective on approval of the council.

36 E. Title 41, chapter 6 does not apply to setting and collecting the
37 fee under this section, but the council shall provide thirty days' advance
38 notice of the meeting at which the ANY fee will be ~~adopted~~ INCREASED and the
39 amount of the proposed fee. The council shall receive public testimony at
40 the meeting regarding the fee.

41 Sec. 4. Section 3-468.06, Arizona Revised Statutes, is amended to
42 read:

43 3-468.06. Deposit of fees; use on termination

44 A. Monies collected pursuant to this article shall be deposited in the
45 council's accounts ~~to be~~ THAT ARE administered by the department AS THE

1 COUNCIL'S AGENT and disbursed as approved by the council for the purposes
2 prescribed in this article.

3 B. If the council is terminated, any monies in the council's accounts
4 shall be expended to meet existing legal obligations of the council. The
5 council shall expend any remaining monies on any program consistent with this
6 article.

7 C. On notice from the council, the state treasurer shall invest and
8 divest monies in the account as provided by section 35-313, and monies earned
9 from investment shall be credited to the account.

10 Sec. 5. Section 41-2706, Arizona Revised Statutes, is amended to read:

11 41-2706. Applicability of chapter

12 A. This chapter applies to the solicitation of grants initiated after
13 August 6, 1999.

14 B. This chapter does not apply to:

15 1. Any grant program that was exempt from chapter 23, article 3 of
16 this title and for which administrative rules establishing grant solicitation
17 procedures were adopted pursuant to chapter 6 of this title before August 6,
18 1999.

19 2. The Arizona board of regents and schools, colleges, institutions
20 and universities under its control if the Arizona board of regents adopts
21 rules or policies governing the award of grants that encourage as much
22 competition as practicable.

23 3. Grants made by the cotton research and protection council for
24 research programs related to cotton production or protection.

25 4. GRANTS MADE BY THE ARIZONA CITRUS RESEARCH COUNCIL FOR RESEARCH
26 PROGRAMS UNDER SECTION 3-468.02, SUBSECTION C, PARAGRAPH 3 OR 5.

APPROVED BY THE GOVERNOR APRIL 19, 2004.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 19, 2004.